



**TRAINING PROPOSAL FOR  
PAYROLL TAX MANAGEMENT, INC.  
17-0552**

**Delegation Order Date:** 06/07/2017  
**Regional Office:** San Diego Regional Office  
**Analyst Name:** Clady, Cassandra  
**Type of Proposal:** Single Employer Contract (SE)  
**Funding Source:** OSC

**FUNDING OVERVIEW:**

TOTAL ETP FUNDING: \$37,950.00				
Training Cost	Admin Cost	Support Cost	Substantial Contribution	Total In-Kind
\$32,656.00	\$5,294.00	N/A	\$0.00	\$57,749.00

**PROJECT PROFILE:**

<b>Repeat Contractor:</b>	No			
<b>Estimated Number of Trainees:</b>	69	<b>High Unemployment Area:</b>	No	
<b>No. of Employees: (Applicant)</b>	State:77 US:77 WorldWide:77	<b>Turnover Rate: (Applicant)</b>	0.00%	

Industry Sector(s)	Priority Industry
Professional, Scientific, and Technical	No

**FUNDING DETAILS:**

Funding	Group No.	Attributes	Estimated No. of Trainees	Weighted Average Hours	Reimbursed Rate	Average Cost Per Trainee
OSC	1	S-RET	60	25	\$22.00	\$550.00
	2	S-RET-JOBCREATION	9	25	\$22.00	\$550.00
		<b>Total:</b>	<b>69</b>			

**TRAINING PLAN OVERVIEW:**

Job Title	County of Workplace Location	Number of Trainees	Training Hours (Min-Max)	Wage Waiver	ETP Min Wage	Base Wage Range	Health Benefits Used	Contract Standard Min Wage
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<b>Group #: 1</b>	<b>Attributes: S-RET</b>					<b>Reimbursement Rate: \$22.00</b>		
information tech	Orange County	6	8-200		\$17.22	\$15.00 - \$41.00	\$2.39	\$17.22
information tech	Riverside County	3	8-200		\$16.16	\$15.00 - \$44.00	\$2.39	\$16.16
operations	Orange County	6	8-200		\$17.22	\$14.83 - \$41.00	0.00	\$17.22
operations	Orange County	25	8-200		\$17.22	\$14.83 - \$41.00	0.00	\$17.22
operations	Riverside County	3	8-200		\$16.16	\$13.77 - \$41.00	\$2.39	\$16.16
sales	Orange County	3	8-200		\$17.22	\$16.00 - \$39.00	\$2.39	\$17.22
sales	Riverside County	2	8-200		\$16.16	\$16.00 - \$44.00	\$2.39	\$16.16
Supervisor/Manager	Orange County	2	8-200		\$17.22	\$18.00 - \$45.00	0.00	\$18.00
Supervisor/Manager	Orange County	9	8-200		\$17.22	\$18.00 - \$45.00	0.00	\$18.00
Supervisor/Manager	Riverside County	1	8-200		\$16.16	\$35.00 - \$35.00	0.00	\$35.00
<b>Group #: 2</b>	<b>Attributes: S-RET-JOBCREATION</b>					<b>Reimbursement Rate: \$22.00</b>		
Operations jc	Orange County	9	8-200		\$14.35	\$11.96 - \$29.00	\$2.39	\$14.35

<b>Legend of Attributes</b>	
<b>Code</b>	<b>Description</b>
S	Single Employer Contract
RET	Retrainee
JOBCREATION	Job Creation – Retrainee Initiative Program

## **INTRODUCTION**

Payroll Tax Management, Inc. (Payroll Tax), seeks ETP funding for retraining. Founded in 1969, the Company is headquartered in Santa Ana. The Company works closely with two affiliates: SBS Payroll, Inc., co-located in Santa Ana; and Time Rack, in Corona. Training will be conducted at both locations.

### **Products / Services**

Payroll Tax offers payroll tax compliance services with a client base throughout the United States. SBS Payroll provides related support. Time Rack, provides web-based and physical time clock recordkeeping.

### **Customer Base**

The Company services individual businesses such as the Directors Guild of America, Irvine Scientific, MP Biomedicals and Numero Uno Markets. The Company specializes in servicing payroll service bureaus, staffing agencies, and "resellers" which are typically CPAs or HR Firms. Some of the clients include: BaronHR, Chartwell Staffing, Advanced Pay Solutions, and Thompson Reuters Accounting users. The Company attracts, mid-market and large corporate employers throughout the United States.

### **Affiliated Companies**

Payroll Tax Management Inc. will hold the contract on behalf of its employees and those of its affiliate Time Rack.

## **PROJECT DETAILS**

## **Purpose of Training**

Payroll Tax seeks funding to provide training to support increased customer demands and provide improved customer service. The Company must be current on the latest regulations, issues, and business plans in all aspects of payroll processing, human resource and insurance services as it relates to its clients. It's employees need to acquire the skills to navigate the payroll systems and all regulatory changes to provide appropriate information to its customers. Sales employees need training in presenting appropriate products to meet client needs, make recommendations for solutions to gain client commitment.

The Company is adding technologies to better service their clients, such as client relationship management platform (Salesforce), call tracking, and activity capabilities. A new version of the product will be implemented on the web in late 2019, which will allow the Company to become more mobile friendly. Employees need to learn system operations and software functions to provide customers with a smooth payroll experience.

ETP funding will enable Payroll Tax to develop a company-wide training program inclusive of the aforementioned training to increase employee knowledge of regulatory changes, enhance technical skills and improve performance. Each new-hire will receive four to five weeks of training. New employees must be trained on the most recent financial information and software applications available to keep pace with industry and client requirements after they are hired.

## **TRAINING DETAILS**

### **Retrainee - Job Creation**

This program provides incentives to companies that commit to hiring new employees including a higher Reimbursement Rate:

- \$20 for all delivery methods (Class/Lab; Productive Lab; E-learning).

PAYROLL TAX MANAGEMENT, INC. has committed to hiring 9 new employees. Trainees must be hired within the three-month period prior to Panel approval or during the term of contract. Substantial Contribution requirement is waived.

Payroll Tax is expanding their workforce for the following reasons:  
Expanded customer base, new product line, new equipment and technology.

<b>Location</b>	<b>Substantial Contribution</b>	<b>Level Of Reduction</b>
PAYROLL TAX MANAGEMENT, INC.	\$0.00	0.00%
Time Rack	\$0.00	0.00%
SBS Payroll, Inc.	\$0.00	0.00%

## **TRAINING PLAN**

The following types of training will be provided:

Training Curriculum		
Delivery Method - Type	Training Type	Training Level
Classroom/Simulated Laboratory	Business Skills	
Classroom/Simulated Laboratory	Commercial Skills	Standard
Classroom/Simulated Laboratory	Computer Skills	Standard
Classroom/Simulated Laboratory	Continuous Improvement Skills	

### Turnover Rate

ETP funds training for stable, secure jobs. Employer's turnover rate cannot exceed 20% for the facility where training is requested, as measured in the 12 months during proposal development. The Company reports no turnover on its own behalf, or that of its affiliates, as shown below.

Turnover Rate		
Location	City	Turnover Rate Percent
PAYROLL TAX MANAGEMENT, INC.	Santa Ana	0.00%
SBS Payroll, Inc.	Santa Ana	0.00%
Time Rack	Corona	0.00%

### SUBCONTRACTOR

payroll tax retained a SubContractor to perform Development services for a fee as shown in the table below.

Development		
Subcontractor Name	City	Service Cost
Training Funding Source	Seal Beach	\$2,400.00

## **PERFORMANCE**

### **Active Contract**

Below summarizes active contract(s) performance.

None

### **Prior Performance**

Below summarizes Contractor's performance under prior contract(s) completed within the last five years:

None

## **RECOMMENDATION**

For the reasons set forth above, staff recommends approval of this proposal.